



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

OCT 25 2016

REPLY TO THE ATTENTION OF:
SR-6J

John J. Morris
Global Remediation Director
Honeywell International Inc.
115 Tabor Road
Morris Plains, NJ 07950

Re: Special Notice Letter to Honeywell International Inc. for Milwaukee Solvay Coke and Gas Site, 311 East Greenfield Avenue, Milwaukee, Wisconsin

Dear Mr. Morris:

The United States Environmental Protection Agency ("U.S. EPA") and a group of potentially responsible parties ("PRPs") have undertaken response actions at the above referenced Site pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 *et seq.*, as amended ("CERCLA"). These response actions include conducting an initial site assessment, taking and analyzing samples at and near the Site, overseeing removal activities conducted by previously identified PRPs pursuant to an administrative order by consent ("AOC") dated February 14, 2003 (Docket No. V-W-03-C-733), and overseeing performance of a Remedial Investigation and Feasibility Study ("RI/FS") pursuant to an AOC dated January 26, 2007 (Docket No. V-W-07-C-861). U.S. EPA has documented the release or threatened release of hazardous substances, pollutants, and contaminants at or from the Site. U.S. EPA believes completion of the RI/FS and future remedial action is necessary to protect public health and the environment. At the time of this special notice letter the RI is complete and the Respondents to the RI/FS AOC are conducting the FS under U.S. EPA oversight.

U.S. EPA has identified Honeywell as a PRP at the Site. This letter notifies you that a 60 day period of formal negotiations with the U.S. EPA automatically begins with this letter whereby you are invited to enter into negotiations with U.S. EPA to participate in the RI/FS at the Site. This letter also contains a formal demand for reimbursement of costs that have been incurred at this Site by the U.S. EPA. This letter invites you to voluntarily join and become party to the 2007 AOC for performance of the RI/FS. This letter provides general and site-specific information to assist you in making your decision.

NOTICE OF POTENTIAL LIABILITY

U.S. EPA has information indicating that Honeywell is a PRP under Section 107 of CERCLA, with respect to this Site. Under Section 107 of CERCLA, responsible parties include current owners and operators of the Site and former owners and operators of the Site at the time of

disposal of hazardous substances, as well as persons who owned or possessed hazardous substances and arranged for disposal, treatment, or transportation of such hazardous substances and persons who accepted hazardous substances for transportation for disposal or treatment to the Site selected by such transporter.

U.S. EPA has performed response actions and may take future response actions in response to a release or threatened release of hazardous substances, pollutants or contaminants pursuant to Section 104 of CERCLA. Under Section 107 of CERCLA, U.S. EPA can recover those response costs from responsible parties. Under Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. §§ 9606(a) and 9607(a), Section 7003 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6973, as amended (RCRA), and other laws, U.S. EPA can order, or ask a court to order, responsible parties, to conduct response actions at a site. Failure to comply with an administrative order issued under Section 106(a) of CERCLA may result in a fine of up to \$53,907 per day, under Section 106(b) of CERCLA, or imposition of treble damages, under Section 107(c)(3) of CERCLA. In addition, responsible parties may be liable for damages to natural resources at a Site.

SPECIAL NOTICE AND NEGOTIATION MORATORIUM

Under Section 122 of CERCLA and general settlement authority, U.S. EPA can enter into settlement agreements that require PRPs to conduct response actions (including any action under Section 104 of CERCLA). U.S. EPA has determined that use of the Section 122(e) special notice procedures specified in CERCLA may facilitate a settlement and expedite completion of the RI/FS at the Site. Therefore, under Section 122 of CERCLA, this letter triggers a 60-day moratorium on certain U.S. EPA response activities related to Honeywell at the Site. During this 60-day period Honeywell is invited to participate in negotiations with U.S. EPA. Honeywell is also encouraged to voluntarily negotiate a settlement with the Respondents to the RI/FS AOC, to conduct or finance the ongoing RI/FS at the Site. The 60-day negotiation period ends 60 days from the date of this letter. The 60-day negotiation moratorium will be extended for an additional 30 days if Honeywell provides U.S. EPA with a good faith offer to conduct or finance the RI/FS, on or before 60 days from the date of this letter. If U.S. EPA determines that Honeywell has submitted a good faith offer, U.S. EPA will extend negotiations until 90 days from the date of this letter. If settlement is reached between U.S. EPA and Honeywell the RI/FS AOC shall be modified to add Honeywell as a Respondent.

SUBSEQUENT MODIFICATION TO THE SETTLEMENT AGREEMENT

Pursuant to CERCLA Section 122(e)(2)(C), U.S. EPA can add additional parties to administrative settlement agreements. Under the RI/FS AOC, Section XXIX, paragraph 106, the AOC may be amended by mutual agreement of U.S. EPA and Respondents. If you agree to join the AOC and the Respondents also agree, the subsequent amendment to the AOC allowed under this subsection would qualify as a "separate" agreement for purposes of CERCLA Section 122(e)(2)(C).

RESPONSE ACTIONS

The Respondents to the RI/FS AOC have formed a work group and are currently conducting the FS at the Site. Pursuant to the AOC, the Respondents will reimburse EPA for future response costs in overseeing performance of the RI/FS. The list of Respondents to the RI/FS AOC is attached to this letter.

CONSENT ORDER AND WORK PLAN WITH OTHER PRPs

A copy of the RI/FS AOC and Statement of Work ("SOW") are enclosed for your review. These documents are provided to inform your decision of whether to join the AOC.

GOOD FAITH OFFER

As indicated, the Respondents to the RI/FS AOC went through extensive negotiations with U.S. EPA and made a good faith offer to conduct or finance the RI/FS. The Respondents' good faith offer included a written proposal that demonstrated the Respondents' qualifications and willingness to conduct or finance the RI/FS and included the following elements:

1. A statement of willingness to conduct or finance the RI/FS which is consistent with U.S. EPA's statement of work and draft administrative order and provides a sufficient basis for further negotiations.
2. A demonstration of technical capability to carry out the RI/FS including the identification of the firm(s) that may actually conduct the work or a description of the process they will use to select the firm(s).
3. A demonstration of capability to finance the RI/FS.
4. A statement of willingness to reimburse U.S. EPA for costs incurred in overseeing the PRPs' conduct of the RI/FS.
5. The name, address, and phone number of the party or steering committee who will represent the PRPs in negotiations.

Due to the substantial progress that has already been made under the RI/FS AOC, U.S. EPA requests that you provide a written good faith offer that includes the elements listed above, including a statement to enter into the RI/FS AOC to carry out the remaining work and willingness to reimburse U.S. EPA for costs incurred in overseeing the RI/FS under the AOC.

INFORMATION RELEASE

U.S. EPA is providing the following information as enclosures with this letter:

1. A list of the Respondents to the 2007 RI/FS AOC.

2. A brief summary of the Site.
3. A copy of the RI/FS AOC and SOW.
4. An Itemized Cost Summary of U.S. EPA response costs incurred at the Site through September 30, 2016.

DEMAND FOR PAYMENT

With this letter, U.S. EPA demands that you reimburse U.S. EPA for its response costs incurred to date, and encourages you to voluntarily join the RI/FS AOC for payment of Future Response Costs.

In accordance with CERCLA, U.S. EPA already has undertaken certain actions and incurred certain costs in response to conditions at the Site. Such costs include, but are not limited to, expenditures for investigation, planning, response oversight, and enforcement activities.

Total U.S. EPA response costs incurred at the Site through September 30, 2016 are \$3,372,507.02. U.S. EPA has collected \$1,631,603.85 from the Respondents to the two AOCs, and has \$1,740,903.17 in unreimbursed response costs at the Site. In accordance with Section 107(a) of CERCLA, demand is hereby made for payment of \$1,740,903.16 plus any and all interest recoverable under Section 107 or under any other provisions of law.

As indicated above U.S. EPA anticipates expending additional funds overseeing the RI/FS and any future response actions taken at the Site. Whether U.S. EPA funds the entire RI/FS and future work, or simply incurs costs by overseeing work, you are potentially liable for these response costs plus interest.

ABILITY TO PAY - FUTURE FINANCIAL REVIEW

If your company wishes to settle, but would face a severe financial hardship by remitting the full payment amount, you may request that the U.S. EPA review your financial ability to pay. Under U.S. EPA policy, it is possible in appropriate circumstances for the payment to be made in installments. This may be considered as part of U.S. EPA's financial review. To process a claim of financial hardship, the U.S. EPA will require you to substantiate that claim by submitting detailed financial documentation. A complete description of the U.S. EPA's financial review process is available upon request.

CONTRIBUTION

The RI/FS AOC constitutes an administrative settlement for purposes of Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2). If you agree to join the AOC, all parties agree that Respondents to the AOC are entitled, as of the Effective Date, to protection from contribution actions or claims as provided by Sections 113(f)(2) and 112(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), for "matters addressed" in the AOC. The "matters addressed" in the AOC are the Work and Future Response Costs.

ADMINISTRATIVE RECORD

Pursuant to CERCLA Section 113(k), U.S. EPA must establish an administrative record that contains documents that form the basis of U.S. EPA's decision on the selection of a response action for a site. The administrative record files will be available to the public for inspection and comment at:

**The Superfund Records Center
U.S. EPA Region 5
77 W. Jackson Blvd.
Chicago, Illinois**

Copies of documents in the administrative record file are also available at:
<https://cumulis.epa.gov/supercpad/cursites/csitinfo.cfm?id=0508215>

PRP RESPONSE AND U.S. EPA CONTACT PERSON

Please contact U.S. EPA within 30 days of the date of this letter to indicate your willingness to join the AOC for this Site. If you chose to join the AOC you have 30 calendar days from the date of this letter to provide U.S. EPA with a good faith offer, in writing, demonstrating your willingness to assist in performing the RI/FS. If U.S. EPA does not receive a timely response, U.S. EPA will assume that you do not wish to join the AOC or negotiate a resolution of your liabilities in connection with the response, and that you have declined any involvement in performing the response activities.

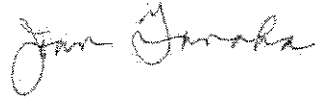
Your response to this notice letter should be sent to:

Craig Melodia
U.S. Environmental Protection Agency
Office of Regional Counsel
77 West Jackson Boulevard (C-14J)
Chicago, Illinois 60604-3590

The factual and legal discussions contained in this letter are intended solely for notification and information purposes. They are not intended to be and cannot be relied upon as final U.S. EPA positions on any matter set forth here.

If you have questions of a technical nature, please contact Owen Thompson, Remedial Project Manager at (312) 886-4843. For legal questions contact, Craig Melodia, Associate Regional Counsel, at (312) 353-8870.

Sincerely,



Joan Tanaka
Branch Chief
Remedial Response Branch #1

Enclosures:

1. Respondents to the RI/FS AOC
2. Site Summary
3. 2007 AOC for RI/FS
4. Itemized Cost Summary

cc: Margaret Brunette
Remediation and Redevelopment Hydrogeologist
Wisconsin Department of Natural Resources
2300 N. Martin Luther King Jr. Drive
P.O. Box 12436
Milwaukee, WI 53212-0436

SITE SUMMARY

The Milwaukee Solvay Coke & Gas site is located at 311 East Greenfield Avenue, Milwaukee, Milwaukee County, Wisconsin (Site). The Site is the former location of a manufactured coke and gas operation and covers approximately 46 acres in a primarily industrial and commercial area north of the Kinnickinnic River and west of the Lincoln Memorial Harbor. The Site is bordered by East Greenfield Avenue on the north, railroad tracks and a coal storage area on the northeast, the Kinnickinnic River on the east and south, and railroad tracks to the west. Residential areas are located 0.5 miles of the Site.

In 2003, Water Street Holdings Co., purchased the Site from the Cliffs Mining Company. The Site is currently owned by Golden Marina Causeway, L.L.C. Prior to 2003, the Site was occupied by the Wisconsin Wrecking Company under a lease purchase agreement with the Cliffs Mining Company. Coke and gas production took place at the Site from the late 1800's through the early 1980's, with portions of the Site used primarily for coal storage. Portions of the Site have been owned and/or operated by a number of entities, including the Milwaukee Electric Railway and Light Co., Milwaukee Coke & Gas Co., Milwaukee Solvay Coke Co., Wisconsin Coke Company Inc., Milwaukee Solvay Coke Company Inc., Illinois Steel Co., Minerva Iron Co., Thomas Furnace Co., Milwaukee Blast Furnace Co., Pere Marquette Railway Co., Chesapeake & Ohio Railway Co., Pickands Mather & Co., and Cliffs Mining Co. The area immediately south of the coke and gas production area was once occupied by the Suhm Leather Company tannery. By 1910, the tannery area was occupied by the Fred Rueping Leather Company, which performed chrome tanning and operated a laboratory.

In 2002, U.S. EPA's contractor, Tetra Tech EM Inc., performed a site assessment to evaluate site conditions and potential threats to human health and the environment. Based upon the site assessment, U.S. EPA determined that the actual or threatened release of hazardous substances from the Site presented an imminent and substantial endangerment to the public health, welfare or the environment.

U.S. EPA, Cliffs Mining Company, Wisconsin Wrecking Company, L.L.C., and Water Street Holdings, L.L.C., entered into an Administrative Order by Consent (AOC), dated February 14, 2003, pursuant to Sections 106(a), 107 and 122 of CERCLA, for performance of removal actions at the Site and reimbursement of U.S. EPA's oversight costs. Work performed under the AOC included removal and disposal of all asbestos containing material, above ground storage tanks and material within those tanks, all spills and contaminated surface soil around the above ground tanks, material and contaminated soil in an open pit, and removal of all other hazardous substances inside the buildings and other structures located on the Site. The AOC did not address any subsurface contamination or any other release or threat of release of a hazardous substance into the environment from the Site. The removal actions required by the AOC are now complete.

In 2007, U.S. EPA and American Natural Resources Company, Cliffs Mining Company, East Greenfield Investors LLC, Maxus Energy Corporation, and Wisconsin Electric Power Company and Wisconsin Gas LLC (d/b/a We Energies) entered into an Administrative Settlement Agreement and Order on Consent for Remedial Investigation/Feasibility Study (RI/FS AOC) to

determine the nature and extent of contamination and to evaluate remedial alternatives to address any remaining threats to public health, welfare or the environment. The final Remedial Investigation for the Site was approved by EPA in August 2016. The Respondents to the RI/FS AOC are currently conducting the Feasibility Study for the Site under U.S. EPA oversight.

List of Respondents to RI/FS AOC

American Natural Resources Company
William A. Horn
Mika Meyers Beckett & Jones PLC
900 Monroe Avenue, NW
Grand Rapids, MI 49503

Cliffs Mining Company
Joseph Tierney
Meissner Tierney Fisher & Nichols
111 East Kilbourn Avenue, 19th Floor
Milwaukee, WI 53202-6622

East Greenfield Investors, LLC
Susan M. Franzetti
Nijman Franzetti LLP
10 South LaSalle Street
Suite 3600
Chicago, IL 60603

East Greenfield Investors, LLC
Larry Fromelius
5611 Walnut Avenue
Downers Grove, IL 60516

Maxus Energy Corporation
Michael D. Flanagan
Foley & Lardner LLP
777 E. Wisconsin Ave.
Milwaukee, WI 53202

We Energies
Arthur A. Vogel, Jr.
Quales & Brady, LLP
411 East Wisconsin Avenue
Suite 2350
Milwaukee, WI 53202-4426

Itemized Cost Summary

SOLVAY COKE & GAS COMPANY, MILWAUKEE, WI SITE ID = B5 1Q

Cumulative Site Expenditures Through 09/30/2016

REGIONAL PAYROLL COSTS	\$535,313.44
HEADQUARTERS PAYROLL COSTS	\$989.93
REGIONAL TRAVEL COSTS	\$9,105.52
AUTOMATED DATA PROCESSING	
COMPUTER SCIENCES CORPORATION (EPW10016)	\$59,050.20
ENFORCEMENT SUPPORT SERVICES (ESS) CONTRACT	
TECHLAW, INC. (68-W0-0083)	\$19,184.97
SCIENCE APPLICATIONS INT'L CORP. (68-W0-0091)	\$4,279.73
GRB ENVIRONMENTAL SERVICES, INC. (EPW05013)	\$6,366.85
ENVIRONMENTAL SERVICES ASSISTANCE TEAMS (ESAT)	
LOCKHEED MARTIN SERVICES INC (68-D0-0267)	\$3,863.74
ALION SCIENCE AND TECHNOLOGY CORPORATION (68-W0-1014)	\$13,963.15
TECHLAW, INC. (EPW06031)	\$4,907.98
INTERAGENCY AGREEMENT (IAG)	
DEPARTMENT OF ENERGY (DW89923106)	\$138.00
OTHER EXPENDITURES (OTH)	
APEX DIRECT, INC. (EPS50701)	\$21,100.86
RESPONSE ACTION (RAC) CONTRACT	
NOBIS ENGINEERING, INC. (EPS10603)	\$788,120.33
SUPERFUND COOPERATIVE AGREEMENT (SCA)	
WISCONSIN D.N.R. (V00E00767)	\$85,810.00
WISCONSIN DEPT.OFNATURAL RESOURCES (V00E48701)	\$31,956.00
WISCONSIN D.N.R. (V00E48702)	\$41,593.00
WISCONSIN D.N.R. (V01E00767)	\$25,398.00
WISCONSIN DEPT OF NATURAL RESOURCES (V02E00767)	\$10,650.00

Itemized Cost Summary

SOLVAY COKE & GAS COMPANY, MILIWAUKEE, WI SITE ID = B5 1Q

Cumulative Site Expenditures Through 09/30/2016

WISCONSIN D.N.R. (V98510002)	\$1,173.00
SUPERFUND TECH. ASSISTANCE & RESPONSE TEAM (START)	
TETRA TECH EM, INC. (68-W0-0129)	\$304,407.83
WESTON SOLUTIONS, INC. (EPS50604)	\$14,088.45
TETRA TECH, INC. (EPS51301)	\$32,019.13
TECHNICAL SERVICE AND SUPPORT	
ARCTIC SLOPE REGIONAL CORP(ASRC) (68-W0-1002)	\$287.74
DYNCORP SYSTEMS & SOLUTIONS LLC (68-W0-3016)	\$9,853.24
DYNCORP SYSTEMS & SOLUTIONS LLC (68-W9-8106)	\$257.59
ASRC MANAGEMENT SERVICES, INC. (EPW05052)	\$3,436.82
COMPUTER SCIENCES CORPORATION (EPW06046)	\$2,918.36
PRIMUS SOLUTIONS, INC. (EPW11024)	\$3,953.53
CONTRACT LAB PROGRAM (CLP) COSTS	
FINANCIAL COST SUMMARY	\$76,515.19
EPA INDIRECT COSTS	\$1,261,804.44
TOTAL SITE COSTS BEFORE COST RECOVERY COLLECTIONS	\$3,372,507.02
COLLECTIONS/ADJUSTMENTS	(\$1,631,603.85)
Total Site Costs:	\$1,740,903.17

